



PEAR TREE AXIOM EMERGING MARKETS WORLD EQUITY FUND

FOR THE QUARTER ENDED MARCH 31 2021 the Pear Tree Axiom Emerging Markets World Equity Fund's Ordinary Shares (the "Fund") underperformed its benchmark, the MSCI Emerging Markets Index (the "Index"). During the period, the Fund achieved a return of (0.93%) at net asset value compared to 2.34% for the Index.

Market Conditions and Investment Strategies

After two quarters of gains and outperformance, emerging market returns were more subdued during the first quarter of 2021. Sentiment was affected by news flow of additional COVID waves and economic lockdowns throughout the world. Also possibly weighing on emerging market returns, the US 10-year yield rose from 0.91% in early January to a high of 1.74% at the close of the quarter, and the JPM EM Currency Index fell slightly from 57.9 to 56.3. Emerging market macro trends, while still attractive, moderated during the quarter with the emerging market PMI falling from 54 to 52, as China tightened liquidity and India and Brazil faced renewed Covid challenges. Despite the moderating pace of economic recovery, value stocks outperformed growth stocks by 341 bps as investors focused on adding to cyclical holdings. Growth benchmarks were also impacted by regulatory scrutiny of the large Chinese internet companies. On the positive side, EMBI spreads remain relatively low at 324 and the emerging market earnings revision ratio continued to accelerate, moving to 1.2 from 0.9 at the start of 2021.

The Energy sector, led by Lukoil, an integrated oil & gas firm in Russia, contributed on a relative basis during the first quarter. Materials, Financials and Information Technology were the largest relative detractors, with Ganfeng Lithium, Turkiye Garanti Bankasi, and Xinyi Solar the top individual detractors, respectively.

From a country perspective, Mexico was the top contributor, led by Grupo Mexico, followed by Malaysia, due to its underweight versus the Index, and Singapore, driven by Sea. Sea is a leading e-commerce and gaming company in Southeast Asia, with additional exposure to e-commerce and payment processing. China and India detracted from relative performance during the quarter, due to China's Xinyi Solar, the largest photovoltaic glass manufacturer globally, and Contemporary Amperex Technology (CATL), a battery manufacturer. In India, Maruti Suzuki, a domestic auto manufacturer, and Asian Paints, a paint and coatings firm, were top detractors amid rising input costs for both firms.

Portfolio Changes

The Fund increased its allocation to Financials. This was attributable to a peaking of bad debt provisions caused by the pandemic, implying the worst of the income statement impact of COVID may have passed. The Fund reduced positioning in Consumer Discretionary and Communication Services sectors. China announced in November that it would increase e-commerce, ride hailing and food delivery regulations because regulators are concerned that subsidizing services at below cost could eliminate smaller competitors, and negatively impact these companies. New energy and electrification emerged as a core portfolio theme during the quarter, expressed through exposure to renewable energy and the electric vehicle supply chain. Underlying company-specific data pointed to positive growth catalysts ahead, while China's commitment to alternative energy targets by 2030 is a long-term policy tailwind.

Outlook

Global investors will likely remain focused on the progress towards worldwide vaccine distribution, the pace of reopening, movements in rates, and inflation trends. As countries increase vaccination levels, the reopening of economies is set to continue, supporting global growth. Emerging markets, already offering a valuation advantage with a PEG ratio of 0.4 compared to 1.0 for developed markets, would see a further boost to the earnings from reopening. Axiom's fundamental dynamic growth stock selection process is well suited to identifying companies poised to benefit from further improvements in their growth outlook. ❖

PEAR TREE AXIOM EMERGING MARKETS WORLD EQUITY FUND PORTFOLIO HIGHLIGHTS

as of March 31, 2021 (The portfolio is actively managed. Holdings and weightings are subject to change daily.)

TOTAL EXPENSE RATIOS*

	Gross Expense Ratio*	Net Expense Ratio*
Ordinary Shares	1.71%	1.49%
Institutional Shares	1.46%	1.12%
R6 Shares	1.31%	1.00%

* Per Prospectus dated August 3, 2020, as amended. Reflects all fee waivers and expense reimbursements currently in effect. Fee waivers and expense reimbursements may not be amended, rescinded or terminated before July 31, 2021 without the consent of the Fund's Trustees.

A WORD ABOUT RISK

Investing in foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market or economic developments and can perform differently than the U.S. market.

Investment Products

■ Not FDIC insured ■ May lose value ■ No bank guarantee

Top Ten Holdings

Percentage of total net assets	34.1%
Taiwan Semiconductor Manufacturing Co., Ltd.	9.6%
Samsung Electronics Company Limited	5.4%
Alibaba Group Holding Ltd.	3.3%
Naspers Limited N Shares	3.2%
Tencent Holdings Limited	2.6%
Airtac International Group	2.1%
SK Hynix, Inc.	2.0%
iShares Core MSCI Emerging Markets ETF	2.0%
LG Chem Ltd.	2.0%
Infosys Limited - SP	1.9%

The companies mentioned in the commentary on page one have the following percentage of total net assets as of 03/31/2021:

Lukoil	1.5%
Grupo Mexico	1.4%
Contemporary Amperex Technology	1.3%
Asian Paints	0.8%
Ganfeng Lithium	0.5%
Sea	0.4%
Maruti Suzuki	0.0%
Turkiye Garanti Bankasi	0.0%
Xinyi Solar	0.0%

PERFORMANCE

as of March 31, 2021

Average Annual Total Returns at Net Asset Value

	Unannualized		Annualized					Since Inception	Inception Date
	Q1	Calendar YTD	1-Year	3-Year	5-Year	10-Year			
Ordinary Shares	-0.93%	-0.93%	64.87%	10.23%	11.12%	3.31%	5.90%	09/30/94	
Institutional Shares	-0.85%	-0.85%	65.44%	10.66%	11.51%	3.63%	7.22%	04/02/96	
R6 Shares	-0.82%	-0.82%	65.47%	—	—	—	22.12%	01/28/19	
MSCI EM ¹	2.34%	2.34%	58.92%	6.87%	12.48%	4.02%	5.81%	—	

¹The Morgan Stanley Capital International Emerging Markets ("MSCI EM") Index is an unmanaged index comprised of stocks located in countries other than the United States. It is widely recognized as representative of the general market for emerging markets. Index returns assume the reinvestment of dividends and, unlike Fund returns, do not reflect fees or expenses. You cannot invest directly in an Index. For comparative performance purposes, the beginning date for the Index is 09/30/94.

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month-end performance, visit the Fund's website at www.peartreefunds.com.